



Before the Appellate Board
National Electric Power Regulatory Authority
(NEPRA)
Islamic Republic of Pakistan

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No. NEPRA/AB/Appeal/222/POI/2019/ 996-1000

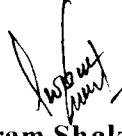
October 28, 2020

1. Muhammad Ramzan
Plot No. D-50,
Al-Falah Society, Shah Faisal,
Karachi
2. Chief Executive Officer,
K-Electric, KE House,
39-B, Sunset Boulevard,
DHA-II, Karachi
3. Asif Shajer,
Deputy General Manager,
K-Electric, KE House,
39-B, Sunset Boulevard,
DHA-II, Karachi
4. Ms. Tatheera Fatima,
Deputy General Manager,
K-Electric, First Floor,
Block F, Elander Complex,
Elander Road, Karachi
5. Electric Inspector/POI
Karachi Region-I,
Adjacent to City School, PAF Chapter,
Baloch Colony, Shaheed-e-Millat Road,
Karachi

Subject: **Appeal Titled K-Electric Vs. Muhammad Ramzan Against the Decision Dated 12.06.2019 of the Provincial Office of Inspection to Government of the Sindh Karachi Region-I, Karachi**

Please find enclosed herewith the decision of the Appellate Board dated 28.10.2020, regarding the subject matter, for information and necessary action accordingly.

Encl: As Above


(Ikram Shakeel)
Assistant Director
Appellate Board

Forwarded for information please.

1. Director (IT) –for uploading the decision on NEPRA website



National Electric Power Regulatory Authority

Before Appellate Board, National Electric Power Regulatory Authority, Islamabad

In the matter of

Appeal No. 222/2019

K-Electric Limited

.....Appellant

Versus

Muhammad Ramzan, Plot No.D-50, Al- Falah Society
Shah Faisal, Karachi

.....Respondent

**APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION,
TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997
AGAINST THE DECISION DATED 12.06.2019 PASSED BY PROVINCIAL
OFFICE OF INSPECTION KARACHI REGION-I, KARACHI**

For the appellant:

Ms. Tatheera Fatima Deputy General Manager
Mr. Imran Hanif Manager

For the respondent:

Nemo

DECISION

1. As per facts of the case, the respondent who is a domestic consumer of K-Electric filed a complaint before the Provincial Office of Inspection (POI) and challenged the arrears of Rs.304,581/- accumulated till June 2018, which contained the following detection bills:

Table-A

SIR dated	Allegations of K-Electric	Detection bill	Period		Units	Amount (Rs.)
12.10.2015	Direct theft of electricity C/L = 10.544 kW	First	Apr-2015	Sep-2015	3505	65,069/-
13.12.2016	Terminal strip damaged C/L = 11.228 kW	Second	Jun-2016	Nov-2016	2892	64,359/-
10.06.2017	Direct theft of electricity C/L = 11 kW	Third	Jan-2017	Jun-2017	4513	106,076/-
13.09.2017	Direct theft of electricity C/L = 9.268 kW	Fourth	Jul-2017	Sep-2017	3358	69,075/-



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The complaint of the respondent was disposed of by POI vide its decision dated 12.06.2019, wherein all the above four detection bills along with late payment surcharges (LPS) were cancelled.

2. Subject appeal has been filed against the above-referred decision by K-Electric in which it is inter alia, contended that the premises of the respondent was inspected various times and on all the occasions, the respondent was found consuming electricity illegally and the connected load was much higher than the sanctioned load. As per contention of K-Electric, all the four detection bills i.e. first detection bill of Rs. 65,069/-, second detection bill of Rs.64,359/-, third detection bill of Rs.106,076/- and fourth detection bill of Rs.69,075/- were charged to the respondent on separate cause of action occurring on different dates, whereas POI cancelled the above four detection bills in violation of provisions of Consumer Service Manual (CSM) without examination of the record and considering the arguments. According to K-Electric, significant variation in consumption was noticed after the replacement of the old meter of the respondent, which proves that the respondent was involved in illegal abstraction of electricity through unfair means. K-Electric further submitted that it was a case of theft of electricity through bypassing the meter, therefore the POI was not empowered to decide the subject matter as per verdict of the apex court.
3. The respondent was served notice for filing reply/para-wise comments to the appeal, which however were not filed.
4. Hearing of the appeal was conducted in NEPRA regional office Karachi on 13.10.2020 wherein Ms. Tatheera Fatima Deputy General Manager (Distribution Legal) along with other officials appeared for the appellant K-Electric and no one represented the respondent. The representatives for K-Electric opposed the determination of POI for



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cancellation of all the four detection bills i.e. first detection bill of Rs. 65,069/-, second detection bill of Rs.64,359/-, third detection bill of Rs.106,076/- and fourth detection bill of Rs.69,075/- and submitted that the premises of the respondent was energized through the hook connection as observed during various inspections. As per representatives for K-Electric, the consumption of the respondent increased after the laying of the ABC cable in the area and control on the theft of electricity, which confirms the illegal abstraction of electricity by the respondent. The representatives for K-Electric prayed for revision of the period of the above detection bills each for three months, pursuant to CSM.

5. Arguments heard and the record perused, following are our observations:

- i. K-Electric raised the preliminary objection against the jurisdiction of POI being theft of electricity case but failed to follow the procedure of CSM and did not take any legal action against the respondent on account of theft of electricity. Obviously, it is a metering & billing dispute and falls within the jurisdiction of POI. The objection of K-Electric in this regard is devoid of force, therefore rejected.
- ii. The respondent assailed the arrears of Rs.304,581/- till June 2018 before POI, which contained the following detection bills:

Table-B

Detection bills	Period		Months	Units	Amount (Rs.)
First	Apr-2015	Sep-2015	06	3505	65,069/-
Second	Jun-2016	Nov-2016	06	2892	64,359/-
Third	Jan-2017	Jun-2017	06	4513	106,076/-
Fourth	Jul-2017	Sep-2017	03	3358	69,075/-

Clause 9.1c (3) of the CSM allows K-Electric to charge the detection bill to a general supply consumer i.e. A-I maximum up-to three months in the absence of approval

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from CEO K-Electric. However, in the instant case, the respondent was debited first and second detection bills each for six months and third to fourth detection bills continuously for a period of nine months i.e. January 2017 to September 2017 by K-Electric, which is violation of the foregoing clause of CSM. It is further observed that K-Electric did not initiate any legal action against the respondent as per the requirement of CSM. K-Electric alleges that the connected load observed during various site inspections was much above the sanctioned load, however, neither there was participation of the respondent during these inspections nor an independent verification of the connected load was done by POI. Moreover, no action was initiated by K-Electric against the respondent for unauthorized extension of the load. In view of above discussion, the first detection bill of Rs. 65,069/-, second detection bill of Rs.64,359/-, third detection bill of Rs.106,076/- and fourth detection bill of Rs.69,075/- including LPS are unjustified and liable to be cancelled as already decided by POI.

- iii. According to clause 9.1c(3) of CSM, the respondent is liable to be charged the first detection bill for three months i.e. July 2015 to September 2015, the second detection bill for three months i.e. September 2016 to November 2016 and the third detection bill for three months i.e. July 2017 to September 2017 against the total period of third and fourth detection bills.
- iv. Question arises what to be charged to the respondent for the disputed periods. In this regard comparison of normal average consumption charged during the disputed periods is done with the normal average consumption of undisputed periods after the dispute. **Table-C** in this regard is constructed below:



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Period	Normal units/month
Disputed Period: Jul-2015 to Sep-2015, Sep-2016 to Nov-2016, Jul-2017 to Sep-2017 (9 months)	648
Undisputed period: Jan-2018 to Dec-2018 (12 months)	1,405

Examination of the above consumption data reveals that the normal average consumption recorded during the disputed periods is much lesser than the normal average consumption of the undisputed period, which transpires that the actual consumption was not recorded during the disputed periods. Hence, the respondent is liable to be charged as under:

Table-D

Detection bill	Period		Months	Units/month to be charged
First	Jul-2015	Sep-2015	03	1,405
Second	Sep-2016	Nov-2016	03	
Third & Fourth	Jul-2017	Sep-2017	03	

6. In consideration of the above, it is concluded that the following detection bills charged to the respondent by K-Electric are unjustified and rightly cancelled by POI:

Table-E

Detection bills	Period		Months	Units	Amount (Rs.)
First	Apr-2015	Sep-2015	06	3505	65,069/-
Second	Jun-2016	Nov-2016	06	2892	64,359/-
Third	Jan-2017	Jun-2017	06	4513	106,076/-
Fourth	Jul-2017	Sep-2017	03	3358	69,075/-

K-Electric may recover the detection bills as per detail given below:

Table-F

Detection bill	Period		Months	Units/month to be charged
First	Jul-2015	Sep-2015	03	1,405
Second	Sep-2016	Nov-2016	03	
Third and Fourth	Jul-2017	Sep-2017	03	

The billing account of the respondent may be revised by K-Electric after adjusting units



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already charged/payments made (if any) against the above four detection bills.

7. Foregoing in consideration, the appeal is partially allowed.

Muhammad Qamar-uz-Zaman
Member

Muhammad Shafique
Member

Nadir Ali Khoso
Convener

Dated: 28.10.2020